

RALEIGH-DURHAM AIRPORT AUTHORITY

MINUTES

March 20, 2003

Chairman Gibbs presided. Present: members Clancy; Sanders; Toler; Weeks; Winston and Zaytoun. Absent: member Teer. Also present: Airport Director Brantley; Deputy Director, Operations Shackelford; Deputy Director, Facilities Engineering & Maintenance Pittman; Major Capital Improvements Program Director Powell; Customer Service & Organizational Support Director Damiano; Administration Director Umphrey; Finance Director Barrett; Parking Director Scialdone; Senior Program Manager Quesenberry; Facilities Engineering Manager Jewett; Maintenance Manager Fulp; Properties & Insurance Officer Quinn; Emergency Services Manager Thompson; Communications Manager Hamlin; Parking Administration Manager Slayton; Communications Specialist Dunton; Business Development Officer Hairston; Internal Auditor Jordan; Training Supervisor Bell; Training Officer Harleston; Website Administrator Hogan; Financial Analyst Golden; Public Transportation Supervisor Kiser; Information Technology Manager Schiller; DBE Program Officer Moorman; Executive Assistant Mitchell and Attorney Tatum.

Guests: Charles McCloskey and Gerald Corthell, Parsons Transportation Group; Howard Harmon, The Paradies Shops; Cedric Nelson, CTN Services; and Vicki Hyman, The News & Observer.

APPROVAL OF AGENDA – There were no changes to the agenda, and it was approved as submitted.

APPROVAL OF MINUTES – There were no changes to the minutes of the February 20 and March 13, 2003 meetings, and they were approved as submitted.

CHAIRMAN’S COMMENTS – Chairman Gibbs thanked Airport Director Brantley and staff for their hard work on the FY 2003-04 budget.

Chairman Gibbs appointed member Sanders as Acting Secretary for the meeting.

LAND & DEVELOPMENT COMMITTEE REPORT – Member Teer reported the Committee met on March 20, 2003 and discussed the following items:

1. Consideration of a staff recommendation on a firm to provide construction materials testing services for Taxiway D Relocation & Terminal C Apron Expansion, RDU #070379. Program Manager Cayton reported the staff’s recommendation on the selection of a firm to provide quality assurance testing services in connection with the Taxiway D Relocation and Terminal C Apron Expansion project. The Request for Proposals (RFP) for these services was made available on-line at www.rdu.com/rdubusiness beginning on February 19, 2003. Additionally, the RFP was mailed to 27 firms. The deadline for submitting proposals was 4:30 p.m., March 5, 2003. The solicited services are in support of an Airport Improvement Program project on which the FAA requires that materials used in the project be tested in accordance with FAA-specified tests by testing firms certified by specific testing accreditation agencies to perform those tests. The RFP specified the tests required by the FAA for which proposing firms were required to demonstrate evidence of their performance certification. The Authority received proposals from the following five firms: Foundation Engineering Science, Inc.; MACTEC, Inc.;

NFE Technologies, Inc.; S&ME, Inc. and Trigon Engineering Consultants, Inc. MACTEC and S&ME provided evidence of having all of the necessary certifications to perform the required FAA tests. MACTEC also included a subconsultant in its proposal that is certified as a DBE firm with the Authority. Foundation Engineering Science, NFE Technologies and Trigon Engineering Consultants did not provide evidence of having all of the necessary certifications to perform the required FAA tests. Based on review of the proposals by Authority staff, including responsiveness to the stated requirements, qualifications and experience of the proposed project manager and other key personnel, previous experience on similar projects, and perception of and approach to the project, Authority staff interviewed MACTEC and S&ME on March 11, 2003. Following the interview, S&ME committed to using Tierra, an Authority-certified DBE firm, as a subconsultant on the services. Based on review of proposals and evaluation of the firms interviewed, staff recommended that the firm of S&ME, Inc. be ranked first to provide quality assurance testing services for the project and requested authorization to attempt to negotiate an agreement for services with S&ME. The Committee recommended approval of the staff's recommendation.

2. Consideration of an Amendment to the Agreement with Parsons Transportation Group for program and construction management services for multiple projects. Major Capital Improvements Program Director Powell reported on a proposed Amendment to the Agreement dated November 21, 2002 with Parsons Transportation Group. The Amendment authorizes program and construction management services for Fiscal Year 2003-04, which is the period from April 1, 2003 to March 31, 2004. The term of the Agreement is five years, or through the completion of the projects, with services authorized annually by amendment to the Agreement. The Amendment does not modify the term of the Agreement. The services include program management and support services for the following projects: Terminal C Renovation & Expansion, RDU #070399; Taxiway D Relocation & Terminal C Apron Expansion, RDU #070379; New Authority Operations Center, RDU #070369; and General Aviation Terminal Building, RDU #080334; and agency construction management services for all of the projects except the New Authority Operations Center, for which the construction management services are being provided by another firm. The Amendment does not modify the scope of services of the Agreement. The maximum payments by the Authority to the Consultant for the services authorized by this Amendment shall not exceed \$3,675,054. Compensation for personnel expense for the consultant and its subconsultants will be based on unit costs against the fixed ceiling amount of \$3,121,183. Reimbursement for allowable expenses will be made based on direct costs, without markups or multipliers, against the fixed ceiling amount of \$433,871. The total maximum payments include a contingency allowance of \$120,000 for additional services and/or reimbursable expenses as may be determined by the Authority's Project Director. The funds for the services authorized by this Amendment are included in the FY 2003-04 Capital Budget. The Committee recommended approval of the proposed Amendment to the Agreement with Parsons Transportation Group.

3. Consideration of an Agreement with Robert & Company for engineering investigation, testing and design of improvements to the bulk fuel storage farm and remote pickup facility for Bulk Fuel Farms Repairs, Soil Contamination Cleanup & Glycol Tank Addition, RDU #080469. Deputy Director, Facilities Engineering & Maintenance Pittman reported on a proposed Agreement for Consulting Services with Robert & Company for engineering investigation, testing and design of improvements to the bulk fuel storage farm and remote pickup facility. This work involves an extensive operating and condition assessment of the bulk fuel farm,

the remote fuel pickup facility south of Terminal A, related piping and the cathodic protection system. The work also includes preliminary and final design of all components necessary to install a 20,000-gallon tank, associated piping and inventory controls for Type IV Glycol storage in the fuel farm. Robert & Company designed the original fuel farm and pumping system and provided oversight of its installation. Therefore, it would be advantageous to the Authority to engage Robert & Company to provide the services currently required. The proposed project budget is \$1,720,000 and is a new project in the fiscal year 2003-04. The contract amount will be \$221,095 including reimbursable expenses. The Committee recommended approval of the proposed agreement with Robert & Company.

Member Clancy made a motion, seconded by member Zaytoun, to approve the recommendations of the Land & Development Committee. Adopted.

FY 2003-04 BUDGETS - Airport Director Brantley advised that the proposed Fiscal Year 2003-04 Operating and Capital Budgets, Budget Ordinance and Project Ordinances were presented in the budget work session on March 13, 2003. No further comments were received. Approval of the proposed Operating and Capital Budgets, Budget Ordinance and Project Ordinances was requested.

Member Clancy made a motion, seconded by member Toler, to adopt the Fiscal Year 2003-04 Operating and Capital Budgets, Budget Ordinance and Project Ordinances. Adopted.

CTN SERVICE AGENCY AGREEMENT – Business Development Officer Hairston reported on the terms of the proposed renewal lease agreement with CTN Service Agency d/b/a Superior Shoe Shine. The agreement is for two shoeshine concession services located in approximately 208 s.f. of space across from Gate A15 and in approximately 30 s.f. of space across from Gate A17. The term of the agreement is April 1, 2003 to March 31, 2008. The base rent is \$476.00 per month, and the Percentage Rent is 10% of gross revenues. DBE participation is 100%. CTN Service Agency currently operates the shoeshine concession in Terminal A. Upon approval of the lease, CTN will refurbish both stands, remodel the main stand, and implement new uniforms for its employees. Staff is working with CTN to identify a third shoeshine location in the north concourse area of Terminal A. Staff recommended approval of the lease agreement with CTN Services.

Member Zaytoun made a motion, seconded by member Sanders, to approve the proposed renewal lease agreement with CTN Services d/b/a Superior Shoe Shine for operation of two shoe shine stands in Terminals A. Adopted.

REPORT OF NOMINATING COMMITTEE AND ELECTION OF OFFICERS – Member Winston reported the Nominating Committee recommended the following slate of officers for election to serve for the period April 17, 2003 through the next following election in 2005:

Chairman	–	David T. Clancy
Vice Chairman	–	W. Stephens Toler
Secretary	–	Stephen K. Zaytoun
Treasurer	–	Robert D. Teer, Jr.

Member Sanders made a motion, seconded by member Weeks, to approve the recommendation of the Nominating Committee. Adopted.

MEMBER COMMENTS/REPORTS – Member Zaytoun thanked the Authority for implementing the new taxi service. He received a very complimentary letter from a customer regarding the new taxi stand manager operations.

GENERAL COUNSEL’S REPORT – Attorney Tatum reported on his negotiations on behalf of the Authority to purchase approximately 15.75 acres of land located on Globe Road adjoining the Brier Creek Reservoir and Airport property. Purchase of the land for a price of \$403,000 has been negotiated with the property owners, Charles and Judith Venning. Attorney Tatum requested approval to present a contract for purchase to the property owners, subject to verification of acreage and title examination.

Member Clancy made a motion, seconded by member Weeks, to authorize Attorney Tatum to present a contract to Charles and Judith Venning for purchase for approximately 15.75 acres of land on Globe Road at a price of \$403,000, subject to verification of acreage and title examination. Adopted.

Attorney Tatum reported on a proposed Amendment to the Lease Agreement with Wake County for the property on which Lake Crabtree Park is located to permit realignment by the County of the Park’s access road connection to Aviation Parkway to have it connect at Gateway Center Boulevard at that signalized intersection rather than being offset from that street as at present.

Member Weeks made a motion, seconded by member Toler, to approve the proposed Amendment to the Lease Agreement with Wake County. Adopted.

Attorney Tatum reported on an Amendment to the Agreement with One Source Services for janitorial services in the terminal buildings and other Authority facilities. The original contract with One Source was not amended at the time Authority acquired American Airlines’ leasehold rights to Terminal C and assumed maintenance responsibility for that facility on June 15, 2002. The proposed Amendment incorporates the Terminal C facilities, increases the maximum amount of the agreement to an amount not to exceed \$2,448,735.14 per year, and realigns the term of the Agreement to run with the Authority’s fiscal year. Approval of the proposed Amendment was requested.

Member Zaytoun made a motion, seconded by member Weeks, to approve the proposed Amendment to the Agreement with One Source Services for janitorial services. Adopted.

AIRPORT DIRECTOR’S REPORT –

- Enplaned passengers for February 2003 totaled 276,774 versus 286,034 for February 2002 for a 3.2% decrease. Year-to-date 2003 enplaned passengers totaled 543,227 versus 556,637 for year-to-date 2002 for a 2.4% decrease.
- Deplaned passengers for February 2003 totaled 277,127 versus 286,128 for February 2002 for a 3.2% decrease. Year-to-date 2003 deplaned passengers totaled 558,479 versus 570,347 for year-to-date 2002 for a 2.1% decrease.
- Enplaned air cargo for February 2003 totaled 7,111,270 pounds versus 7,462,181 pounds for February 2002 for a 4.7% decrease. Year-to-date 2003 enplaned air cargo totaled 14,850,427 versus 16,207,684 for year-to-date 2002 for an 8.4% decrease.

- Deplaned air cargo for February 2003 totaled 9,438,903 pounds versus 9,115,278 pounds for February 2002 for a 3.6% increase. Year-to-date 2003 deplaned air cargo totaled 19,232,312 versus 18,593,949 for year-to-date 2002 for a 3.4% increase.
- Weekday scheduled flight departures for February 2003 totaled 205 versus 234 for February 2002 for a 12.4% decrease.
- Aircraft operations for February 2003 totaled 15,761 versus 18,802 for February 2002 for a 16.2% decrease. Year-to-date 2003 aircraft operations totaled 33,762 versus 37,724 for year-to-date 2002 for a 10.5% decrease.
- The number of vehicles exiting the terminal area public parking lots during February 2003 totaled 122,399 versus 130,268 for February 2002 for a 6.1% decrease. Year-to-date 2003 number of vehicles exiting the terminal area public parking lots totaled 264,480 versus 269,966 for year-to-date 2002 for a 2.0% decrease.
- The number of taxicab trips taken during February 2003 totaled 10,938 versus 10,458 during February 2002 for a 4.6% decrease. The year-to-date 2003 number of taxicab trips totaled 20,647 versus 22,194 for year-to-date 2002 for a 7.0% decrease.
- Airline load factors for February were fairly good, ranging between 60% and 80%. The beginning of Spring Break last week brought an anticipated increase in traffic.
- Beginning April 6, Southwest will add a second daily flight to Phoenix. Delta Connection (Comair) will add three additional daily flights to Orlando for a total of six daily flights (four year round; two more during the spring, summer and fall only).
- Traffic Control Officer Estridge Hatley will retire on April 23, 2003. He has been a very dedicated employee of the Authority. Everyone wishes him well in his retirement.
- The Authority received a very complimentary letter from Majestic Terminal Services regarding Trish Harleston's excellent training skills in conducting the SIDA classes.
- The Triangle J Council of Governments awarded the Authority a grant in the amount of \$8,350 to be used to offset the added costs of using biodiesel fuel in its diesel-powered equipment and vehicles.
- The Authority joined in support for the Triangle Family of Communities regional marketing campaign by conducting a flag-raising ceremony at RDU Center today. The Family of Communities campaign has been created to celebrate the region and its individual communities. A flag representing the Triangle region will hang at RDU Center below the RDU flag to show the Airport's support for this diverse region.
- The Paradies Shops recently was selected as the 2003 Georgia Family Business of the Year.
- The Transportation Security Administration and the Authority finally concluded a lease agreement for terminal office and breakroom space occupied by the TSA late last year. Payment by the

TSA of the rent accruing since August 2002 through the current month finally has been received, and the TSA's account is now current.

- On March 19, 2003, the Authority reinstituted inspection of vehicles approaching the terminals at the direction of the TSA. This security measure is in response to the recent change in the Homeland Security threat level from yellow to orange upon the onset of hostilities in the Middle East. Signs inform drivers of the inspection process as they enter the airport. All vehicles are subject to search. The Authority will maintain a strong police presence throughout the Airport. All terminal area parking remains open. In February when the threat level was temporarily raised to orange, all parking spaces within 300 feet of the terminals were closed and random vehicle inspections begun, so the current situation is an improvement in customer service. The access to the terminals from U.S. 70/Westgate/Lumley Road via Commerce and International Drives has been closed to the public. However, the public will be able to continue to exit the airport via the taxiway tunnels. Park & Ride Lot 4 will remain open, and the shuttle buses will continue to operate via the taxiway tunnels, but public access to the terminals will be restricted to the southerly entrance from Aviation Parkway and Airport Boulevard. Federal Security Director Juhl complimented the Authority on the smooth implementation of the inspection processes.
- RDU is one of 10 airports nationwide that could receive emergency repatriation flights of U.S. citizens from the Middle East if such flights are operated. Preparations are being made to receive those evacuees fleeing countries in and around Iraq as a result of the Middle East hostilities. The State Department of Health and Human Services is coordinating the services. RDU participated in the repatriation efforts in 1991 during the Persian Gulf War. It is anticipated that the vast majority of evacuees will be Americans living abroad for business or study.
- The Authority's Ground Access Committee and Triangle Transit Authority representatives will meet at RDU Center on Tuesday, March 25, 2003 at 11:00 a.m. to receive a presentation on the findings, conclusions and recommendations of the Airport Rail Link Study. Everyone is invited to attend.

ADJOURNMENT - There being no further business, Chairman Gibbs adjourned the meeting.

Respectfully submitted,

Craigie D. Sanders, Acting Secretary

CORRECT ATTEST:

Kenneth D. Gibbs, Sr., Chairman